UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress 1

[Date approved: August 10, 2006]²

Bill No. and sponsor: S. 2683 (Mr. Richard G. Lugar of Indiana).

Proponent name, location: Dow AgroSciences, Indianapolis, IN.

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

2-Cyanopyridine (CAS No. 100-70-9) (provided for in subheading 2933.39.91).

Check one:

Same as that in bill as introduced.X Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

2-Cyanopyridine is a synthetic organic chemical that is used as a raw material in the production of picloram. Picloram is the active ingredient in many herbicides, including herbicides that are used to prevent broadleaf weeds on rangeland and grass pastures. Dow Agrosciences imports the subject product from Japan.

Estimated effect on customs revenue:

HTS subheading: <u>2933.39.91</u>						
$\bigg \backslash \bigg \backslash$	2006	2007	2008	2009	2010	
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%	
Estimated value <i>dutiable</i> imports	\$7,300,000	\$7,300,000	\$7,300,000	\$7,300,000	\$7,300,000	
Customs revenue loss	\$474,500	\$474,500	\$474,500	\$474,500	\$474,500	

Source of estimated dutiable import data: Industry estimates.

Contacts with domestic firms/organizations (including the proponent):

¹ Industry analyst preparing report: Philip Stone (202-205-3424); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Dow AgroSciences (Proponent) Max Turnipseed, 225-338-0310 Lisa Schroeter, Fax: 202-429-3467	06/05/2006	No	No	No
AtoFina Cerex Charles Kitchin, Fax: 703-527-2092	06/06/2006	No	No	No
BASF Greg Thies, Fax: 202-558-5101	06/06/2006	No	No	No
Bayer CropScience Williams Hensley, Fax: 202-737-8909 Karen L. Niedermeyer, Fax: 412-777-4740	06/06/2006	No	No	No
Crop Life America Lawrence Norton, Fax: 202-463-0474	06/06/2006	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994	06/06/2006	No	No	No
FMC Jerry Prout, Fax: 202-956-5235	06/06/2006	No	No	No
LANXESS Corporation Jamie B. Schaeffer, Fax: 412-809-3614	06/06/2006	No	No	No
Monsanto Corporation Michael Parrish, Fax: 202-789-1867 Linda Strachan, Fax: 202-789-1867	06/06/2006	No	No	No
Nepera, Inc. Marketing Manager, Fax: 845-783-9713	06/06/2006	No	No	No
Syngenta Mike Blythe, Fax: 336-632-6084 Dawn Stomp, Fax: 202-347-7772	06/06/2006	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	06/06/2006	No	No	No

Technical comments:³

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to capitalize the chemical name and to remove the reference to purity.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

S. 2683

To suspend temporarily the duty on 2-cyanopyridine.

IN THE SENATE OF THE UNITED STATES

May 1, 2006

Mr. Lugar introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on 2-cyanopyridine.

1 Be it enacted by the Senate and House of Represen	1	Be it er	nacted by t	the Senate	and House	of Represente
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- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. 2-CYANOPYRIDINE.
- 4 (a) In General.—Subchapter II of chapter 99 of
- 5 the Harmonized Tariff Schedule of the United States is
- 6 amended by inserting in numerical sequence the following
- 7 new heading:

No. 100-70-9) (provided for in subheading 2933.39.91) Free	"	9902.29.32	, 4	Free	No change	No change			,,
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- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to articles entered, or withdrawn

- 1 from warehouse for consumption, on or after the 15th day
- 2 after the date of the enactment of this Act.

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